

**JOINT DEVELOPMENT AGREEMENT**

between

**THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY**

and

**PENN SQUARE PARTNERS**

**DECEMBER 20, 2001**

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## JOINT DEVELOPMENT AGREEMENT

THIS JOINT DEVELOPMENT AGREEMENT is made and entered into as of the 20<sup>th</sup> day of December, 2001, by and between **THE LANCASTER COUNTY CONVENTION CENTER AUTHORITY**, a body politic and corporate existing under the laws of the Commonwealth of Pennsylvania ("LCCCA"), and **PENN SQUARE PARTNERS**, a Pennsylvania limited partnership ("PSP").

### WITNESSETH

WHEREAS, LCCCA is a public instrumentality of the Commonwealth of Pennsylvania organized under the Third Class County Convention Center Authority Act, 16 P.S. 2399.1 et seq., as amended, for the purpose, among others, of acquiring, developing, designing, constructing, financing, improving, operating, maintaining and owning a convention center in the City of Lancaster, County of Lancaster, Pennsylvania; and

WHEREAS, LCCCA owns the premises (the "Convention Center Premises") described on Exhibit "A" attached hereto and made a part hereof by this reference, and plans to develop the Convention Center on the Convention Center Premises; and

WHEREAS, PSP owns the premises (the "Hotel Premises") described on Exhibit "B" attached hereto and made a part hereof by this reference, and plans to develop the Hotel on the Hotel Premises; and

WHEREAS, the Convention Center Premises and the Hotel Premises are adjacent to each other and LCCCA and PSP desire to jointly develop and operate the Convention Center and the Hotel in cooperation and coordination with each other; and

WHEREAS, LCCCA and PSP intend to achieve economic efficiencies in the development, construction and operation of the Convention Center and the Hotel by sharing and jointly using and operating certain facilities, areas and amenities within the Convention Center and the Hotel; and

WHEREAS, LCCCA and PSP have entered into or intend to enter into agreements in connection with the development and management of the Facilities with a common developer and manager; and

WHEREAS, LCCCA and PSP desire to enter into this Agreement to further define their relationship in connection with the development, construction and operation of the Convention Center and the Hotel.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other valuable consideration, the receipt and sufficiency whereof are hereby acknowledged, the parties hereto, intending to be legally bound, agree as follows:

## ARTICLE 1.

### DEFINITIONS, TERMS AND REFERENCES

1.1 Definitions. In this Agreement and any exhibits, addenda or riders hereto, the following terms shall have the following meanings:

Agencies shall have the meaning set forth in Section 2.1.5 herein.

Agreement means this Joint Development Agreement, complete with all exhibits, addenda or riders attached hereto, as it may be amended, modified or supplemented from time to time.

Approval or Approved means prior written approval of the party hereto from whom such approval is sought, not to be unreasonably withheld, delayed or conditioned.

Architect means the single architect and architectural firm engaged by PSP and LCCCA to design the Facilities and to prepare the plans and specifications therefor.

Change Orders means any changes, modifications, amendments or revisions to the Final Plans and Specifications.

Completion means substantial completion of each Facility as evidenced by the issuance of a certificate of substantial completion by the architect for such Facility, reflecting a punch list not in excess of industry standards for projects similar to such Facility.

Construction Contracts means any and all contracts entered into between LCCCA and PSP or a third party as agent for LCCCA or PSP, as the case may be, and the Contractors or subcontractors, as the case may be, for the construction of all or any portion of either Facility.

Contractors means, with respect to the Convention Center one or more construction manager, general contractor or prime contractors under the Construction Contracts, which shall be selected and employed by LCCCA, and with respect to the Hotel one or more construction manager, general contractor or prime contractors under the Construction Contracts, which shall be selected and employed by PSP.

Contracts means any and all contracts, agreements, permits, licenses or other documents or instruments, other than the Construction Contracts, entered into between either LCCCA or PSP and a third party to perform all or any portion of the Work.

Convention Center means the planned convention center complex adjoining the Hotel, which, as of the date of this Agreement, is expected to include, without limitation, approximately 160,000 to 181,000 gross square feet of space, including a grand ballroom, a junior ballroom, exhibition space, meeting rooms, support pre-function and circulation areas and food service and supporting back-of-house areas and related furniture, fixtures, operating supplies and equipment.

Convention Center Development Agreement means that certain Professional Services Development Agreement dated December 20, 2001 between LCCCA and Developer, as the same may be amended, modified, supplemented or replaced, which provides for the engagement by LCCCA of Developer to perform development services in connection with the Convention Center.

Convention Center Management Agreement means that certain Management Agreement to be entered into between LCCCA and Manager, as the same may be amended, modified, supplemented or replaced, for the management and operation of the Convention Center.

Convention Center Program means the spatial program and the preliminary cost estimate set forth on Exhibit "D" attached hereto and made a part hereof by this reference.

Design Development Budget means the budget of project development costs in sixteen (16) divisions accompanying the Design Development Plans for either Facility.

Design Development Plans means the design development plans for either Facility prepared by the Design Team architect.

Design Team shall have the meaning set forth in Section 2.2 herein.

Developer shall mean High Associates, Ltd.

Event of Default shall have the meaning set forth in Section 3.1 herein.

Facility means either the Convention Center or the Hotel, as the context suggests or requires. When used with respect to LCCCA, "Facility" means the Convention Center and, when used with respect to PSP, "Facility" means the Hotel. "Facilities" mean the Convention Center and the Hotel, collectively.

Facility Budget means the Sketch Budget, Schematic Budget, Design Development Budget or Final Budget, as the context may require.

FF&E means those items of furnishings, fixtures, equipment, accessories and materials for use in the operation of the Convention Center or the Hotel, as applicable.

Final Budget means the final budget for either Facility based on the Construction Contracts and other Contracts and accompanying the Final Plans and Specifications for either Facility.

Final Completion means completion of all punch list items, delivery and installation of all remaining FF&E and obtaining all final permits which remain undone or not complete following Completion.

Final Plans and Specifications means the final plans and specifications including construction drawings for either Facility prepared by the Design Team architect, as amended or supplemented from time to time as provided in this Agreement.

Force Majeure means any of the following which may have a Material Adverse Effect on either Facility or the market in which the Facilities operate (i) an act of God, (ii) acts of war, (iii) acts of terrorism, (iv) civil disturbance, (v) labor disputes among Facility employees or providers of services, material or equipment, (vi) reasonably unforeseeable weather conditions, (vii) reasonably unforeseeable unavailability of materials, supplies or equipment and delays in transportation, (viii) governmental action (including revocation of any license or permit necessary for the development, construction and/or operation of a Facility not caused by the act or omission of the owner of such Facility), or (ix) any other causes, other than downturns in the local or national economy, that are beyond the control of either party hereto.

Hotel means the hotel, intended to be developed by PSP as a Marriott Hotel on the Hotel Premises that will contain approximately two hundred ninety-four (294) guest rooms, and to include, at the discretion of PSP, guestrooms and suites, retail space, appropriate support facilities such as a restaurant(s), a lounge(s) or bar(s), and supporting back-of-the-house areas, together with such other amenities and features characteristic of a full-service Marriott hotel.

Hotel Development Agreement means that certain Hotel Development Agreement dated December 20, 2001 between PSP and Developer, as the same may be amended, modified, supplemented or replaced, which provides for the engagement by PSP of Developer to perform development services in connection with the Hotel.

Hotel License Agreement means that certain Marriott Hotel License Agreement dated September 25, 2001 between Marriott and PSP, as the same may be amended, modified, supplemented or replaced.

Hotel Management Agreement means that certain Management Agreement dated January 5, 2001 between PSP and Manager, as the same may be amended, modified, supplemented or replaced, for the management and operation of the Hotel.

Manager means Interstate Hotels Company, or any successor, assign or replacement thereof.

Marriott means Marriott International, Inc. or any successor, assign or replacement thereof.

Material Adverse Effect means any circumstance or event which individually or in the aggregate could have a material adverse effect on the Convention Center and the Hotel, or either of them, or their development, use, occupancy or operation.

LCCCA's Authorized Representative means LCCCA's designated representative with authority to make decisions hereunder, or any replacement identified by LCCCA in a written notice to PSP, each of which should be subject to Approval by PSP.

Permits shall have the meaning set forth in Section 2.1.5 herein.

Plans and Specifications means the Sketch Plans, Schematic Plans, Design Development Plans or Final Plans and Specifications, as the context may require.

PSP's Authorized Representative means Thomas D. Smithgall, Mark C. Fitzgerald, Nevin D. Cooley or any replacement identified by PSP in a written notice to LCCCA.

Quality Standard means the standards of development, construction, use, operation, maintenance, repair and housekeeping for the Facilities pursuant to the Hotel License Agreement, including but not limited to standards regarding construction and equipping and daily maintenance and routine upkeep, security, signage, temperature control and lighting of each Facility, more fully described on Exhibit C attached hereto and made a part hereof.

Sale Parcel shall have the meaning set forth in Section 2.3 herein.

Schedule means the master schedule for Completion of the Facilities prepared by Developer and Approved by LCCCA and PSP. Any and all modifications or amendments to the Schedule shall be subject to the Approval of LCCCA, Developer and PSP.

Schematic Budget means the budget for either Facility including preliminary estimates of project costs by category and accompanying the Schematic Plans for either Facility.

Schematic Plans means the schematic plans for either Facility prepared by the Design Team architect.

Sketch Budget means the area and volume budget accompanying the Sketch Plans for either Facility.

Sketch Plans means the initial conceptual plans for either Facility.

Termination Event shall have the meaning set forth in Section 4.1 herein.

## ARTICLE 2.

### JOINT DESIGN AND DEVELOPMENT

2.1 In General. LCCCA and PSP acknowledge that material and substantial benefits will accrue as a result of, and that the efficient development and construction of each of the Facilities requires, the integration with the development and construction of the other Facility. To that end, LCCCA and PSP agree to consult, coordinate and cooperate with each other in connection with the design, development, construction and operation of the Facilities, and specifically to do the following:

2.1.1 Joint Development. LCCCA and PSP have each engaged Developer as the developer for the Convention Center and the Hotel, respectively, and agree to cause Developer to



undertake to perform its obligations under the Convention Center Development Agreement and the Hotel Development Agreement so as to attempt to achieve the greatest efficiencies in design and the maximum reduction in construction and operating costs for the Convention Center and the Hotel. In all respects, the Facilities shall be developed and constructed in compliance with the Quality Standard and all applicable requirements and conditions of the Convention Center Management Agreement, the Hotel Management Agreement and the Hotel License Agreement.

2.1.2 Convention Center Program. LCCCA and PSP acknowledge that the Convention Center Program is based on the November 2000 Market and Economic Analyses for the Proposed Convention Center in Downtown Lancaster prepared by PricewaterhouseCoopers LLP. PSP and LCCCA acknowledge that, in connection with the development of the Plans and Specifications for the Convention Center, LCCCA and Developer will explore the feasibility of expanding the exhibit space in the Convention Center, and thereby the total size of the Convention Center, beyond the space designated therefor in the Convention Center Program, as more particularly set forth in Exhibit "D" attached hereto.

2.1.3 Design Team. LCCCA and PSP shall consult and coordinate with each other in connection with the assembly of a team of design professionals and consultants for the Facilities, including, without limitation, the Architect and professionals providing interior space planning, engineering, structural, mechanical, electrical, HVAC, construction cost estimating, scheduling, value engineering, landscape, traffic, geotechnical, soils, and hydrological and all other services as necessary to implement the design of the Facilities (the "Design Team"). LCCCA and PSP shall individually engage the Architect and, wherever possible, shall individually engage members of the Design Team to provide services for both Facilities.

2.1.4 Coordination. LCCCA and PSP agree to coordinate with each other with respect to the selection of Contractors and the entrance into Construction Contracts and Contracts for the Facilities.

2.1.5 Budget, Schedule and Plans. LCCCA and PSP shall consult and coordinate with each other regarding the Sketch Budget, Schematic Budget, Design Development Budget, Final Project Budget, Schedule, Sketch Plans, Schematic Plans, Design Development Plans and Final Plans and Specifications and all required modifications thereto. LCCCA and PSP shall cause the Developer to coordinate, in conjunction with the Architect, the development of the Schematic Plans, Design Development Plans and Final Plans and Specifications for each Facility consistent with this Agreement, the Quality Standard, the Convention Center Development Agreement, the Hotel Development Agreement, the Hotel License Agreement, the Convention Center Management Agreement and the Hotel Management Agreement. LCCCA shall cooperate with PSP with respect to PSP's efforts to obtain any approval required from Marriott pursuant to the Hotel License Agreement of the Schedule, Sketch Plans, Schematic Plans, Design Development Plans and/or Final Plans and Specifications for the Convention Center.

2.1.6 Permits and other Approvals. LCCCA and PSP shall consult, coordinate and cooperate with each other in connection with the processing and pursuing by Developer of all regulatory permits, licenses, authorizations and approvals required by law for the Completion

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**ARTICLE 3.**  
**DEFAULT AND REMEDIES**

3.1 Default. Subject to the notice and cure provisions of this Section, an "Event of Default" shall occur by any party hereunder if:

3.1.1 Any party fails to comply with any provision or requirement contained or referenced in this Agreement; provided, no default shall occur hereunder unless written notice shall have been given and ten (10) days shall have elapsed after receipt of such notice without the cure thereof, provided, however, that if such default is not reasonably capable of being cured within such ten (10) day period and if the defaulting party shall have commenced to cure same, no default shall occur so long as such defaulting party continuously and diligently pursues the cure thereof to completion, but in no event to exceed sixty (60) days; or

3.1.2 There shall have occurred an Act of Bankruptcy relating to a party. For the purposes of this Agreement, an "Act of Bankruptcy" shall be deemed to occur if a party shall file a voluntary petition seeking relief under any provision of any federal or state bankruptcy or insolvency statute, or make an assignment for the benefit of its creditors, or apply for or consent to the appointment of a receiver for its assets, or an involuntary proceeding shall be commenced against a party under any bankruptcy, insolvency or similar law seeking the appointment of a trustee or similar official of it or any substantial part of its property, and such involuntary proceeding shall remain undismissed and unstayed for a period of ninety (90) days.

3.2 Remedies. Upon the occurrence and continuation of an Event of Default, the other party may pursue any one or more of the following remedies, which are cumulative and not exclusive of each other:

3.2.1 The non-defaulting party shall have the right to terminate this Agreement in which event neither party shall have any further duties or obligations under this Agreement.

3.2.2 The non-defaulting party shall have the right to bring an action for specific performance of this Agreement, each party hereto agreeing that monetary damages are not sufficient to make the other party whole for a default under this Agreement.

3.2.3 Pursuit by a party hereto of any of the foregoing remedies shall not preclude the pursuit of any damages incurred, or of any of the other remedies available at law or in equity.

3.3 No Waiver. The failure of a non-defaulting party to exercise any right or remedy available to it pursuant to the terms of this Agreement shall not be deemed to be a waiver of such right or remedy or of any of the terms or provisions of this Agreement.

## ARTICLE 4.

### TERMINATION

4.1 Termination Event. A "Termination Event" shall occur hereunder if:

4.1.1 An Event of Default occurs hereunder.

4.1.2 The Hotel License Agreement is terminated by either party thereto in accordance with its terms.

4.1.3 The Hotel Management Agreement is terminated by either party thereto in accordance with its terms.

4.1.4 LCCCA fails to enter into the Convention Center Management Agreement with the Manager on or before January 31, 2002, or once entered into the Convention Center Management Agreement is terminated by either party thereto in accordance with its terms.

4.1.5 Either party provides written notice to the other on or before commencement of construction of either Facility of such party's intention to abandon the development of its Facility.

4.1.6 Any person or entity which is not affiliated with High Industries, Inc. acquires a majority equity interest in and the right to exercise management control over the general partner of PSP.

4.2 Right to Terminate. Upon the occurrence of a Termination Event, either LCCCA or PSP, upon written notice to the other given within ten (10) days after the Termination Event, shall have the right to terminate this Agreement whereupon all rights, benefits, duties and obligations of LCCCA and PSP hereunder shall be null and void and neither party shall have any further duties and obligations hereunder, except as otherwise provided in this Agreement.

## ARTICLE 5.

### INDEMNIFICATION

5.1 Indemnification by LCCCA. LCCCA agrees to defend, protect, indemnify and hold harmless PSP and PSP's partners, members, shareholders, officers, directors, employees and agents from and against all claims or demands, including any action or proceedings brought thereon, and all costs, losses, expense and liability of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from (i) any breach or default by LCCCA in the performance of its obligations under this Agreement or any other agreement relating to the development, construction or operation of the Facilities to which it is a party, and (ii) any failure by LCCCA to develop, construct, operate and maintain the Convention Center consistent with the Quality Standard and in accordance with the requirements of the Hotel

License Agreement, the Convention Center Management Agreement and the Hotel Management Agreement.

5.2 Indemnification by PSP. PSP agrees to defend, protect, indemnify and hold harmless LCCCA and LCCCA's partners, members, shareholders, officers, directors, employees and agents from and against all claims or demands, including any action or proceedings brought thereon, and all costs, losses, expense and liability of any kind relating thereto, including reasonable attorneys' fees and costs of suit, arising out of or resulting from (i) any breach or default by PSP in the performance of its obligations under this Agreement or any other agreement relating to the development, construction or operation of the Facilities to which it is a party, and (ii) any failure by PSP to develop, construct, operate or maintain the Hotel consistent with the Quality Standard and in accordance with the requirements of the Hotel Management Agreement and the Hotel License Agreement.

## ARTICLE 6.

### REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties of LCCCA. In order to induce PSP to enter into this Agreement, LCCCA hereby makes the following representations and warranties:

6.1.1 LCCCA is authorized, and has the power, to enter into this Agreement and to perform its obligations under this Agreement.

6.1.2 This Agreement constitutes a valid and binding agreement of LCCCA and is enforceable against LCCCA in accordance with its terms.

6.1.3 This Agreement does not conflict with, constitute a default under or cause LCCCA to be in breach of or in violation of any other agreement or instrument to which LCCCA is bound.

6.2 Representations and Warranties of PSP. In order to induce PSP to enter into this Agreement, LCCCA hereby makes the following representations and warranties:

6.2.1 PSP is authorized, and has the power, to enter into this Agreement and to perform its obligations under this Agreement.

6.2.2 This Agreement constitutes a valid and binding agreement of PSP and is enforceable against PSP in accordance with its terms.

6.2.3 This Agreement does not conflict with, constitute a default under or cause PSP to be in breach of or in violation of any other agreement or instrument to which PSP is bound.

## ARTICLE 7.

### MISCELLANEOUS

7.1 Alternative Dispute Resolution. With respect to any dispute under this Agreement, either party may submit such dispute (within five (5) days of the occurrence of such dispute) to a panel of three (3) arbitrators of the American Arbitration Association to conduct a binding arbitration of such dispute in Lancaster, Pennsylvania, with no right of judicial appeal, except as required pursuant to the Uniform Arbitration Act of 1980 (P.L. 693, No. 142), 42 Pa. C.S.A. sections 7302 et seq. (2001) (the "Act"). Each of the three (3) arbitrators shall have at least five (5) years' experience in convention center and hotel design, construction, development, operation, management or ownership, one (1) to be appointed by each party and the third (3<sup>rd</sup>) to be appointed by the American Arbitration Association. If the parties have not jointly initiated arbitration within such five (5) days, the arbitration may be initiated by either party by giving notice to the other of the date, which shall be not less than (5) days after delivery of notice, in which event the American Arbitration Association shall select two (2) of the three (3) arbitrators. The parties hereby agree that such arbitration proceeding shall be prosecuted without delay and that such proceeding shall be concluded and decision rendered thereon within thirty (30) days after the commencement thereof, it being recognized and agreed that any delay will materially and adversely affect the Facilities. Any arbitration under this Agreement shall be in accordance with the rules of the American Arbitration Association. The decision of the arbitrators shall be binding upon the parties and no appeal of any kind of the decision shall be made by either party except as required by the Act. The costs and expenses of the arbitration proceedings shall be paid by the non-prevailing party.

7.2 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of LCCCA and PSP and their respective heirs, legal representatives, successors and permitted assigns. Neither LCCCA nor PSP shall assign or transfer any rights hereunder or interest herein without the Approval of the other party, provided that PSP, without Approval of LCCCA, may assign this Agreement to any entity in which an affiliate of High Industries, Inc. has an equity interest and exercises management control. Unless specifically stated to the contrary in any Approval to an assignment, no assignment will release or discharge the assignor from any duty or responsibility hereunder.

7.3 Headings. The headings of Sections and Paragraphs herein are inserted for convenience only and are in no way intended to describe, interpret, define or limit the scope or content of this Agreement or any provisions hereof.

7.4 Counterparts. This Agreement may be executed in one or more counterparts having the signatures of the parties and each such counterpart shall, for all purposes, be deemed an original, but all such counterparts shall constitute but one and the same instrument.

7.5 Force Majeure. A delay in or failure of performance by either party hereto shall not constitute a default, nor shall LCCCA or PSP be held liable for loss or damage, if and to the extent that such delay, failure, loss or damage is caused by Force Majeure and all times specified

for performance in this Agreement shall be extended by the period of delay resulting from the event of Force Majeure.

7.6 Publicity. Except as otherwise required by law, LCCCA and PSP covenant and agree to furnish to the other for its prior Approval all announcements to news media regarding the Facilities or either of them and to permit and assist the other to obtain such publicity in connection with the Facilities as LCCCA or PSP, as the case may be, reasonably desires.

7.7 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

7.8 Relationship. Neither this Agreement nor any agreements, instruments, documents or transactions contemplated hereby shall in any respect be interpreted, deemed or construed as making either party a partner or joint venturer with the other and LCCCA and PSP. Each agree that it will not make any contrary assertion, contention, claim or counterclaim in any action, suit or other legal proceedings involving the other. It is also expressly understood and agreed by LCCCA and PSP that either party may engage in any other business or investment, including the ownership of or investment in real estate and development, operation and management of hotels and that the other party shall not have rights in and to any such business or investment or the income or profit derived therefrom.

7.9 Notices. Any notice, consent, approval, statement, demand or other communication which is provided for or required by this Agreement must be in writing and may be, at the option of the party giving notice, delivered in person (including delivery by national overnight couriers such as Federal Express) to any party or may be sent by registered or certified U.S. mail, with postage prepaid, return receipt required. Any such notice or other written communications shall be deemed to have been given (i) in the case of personal delivery, on the date of delivery to the person to whom such notice is addressed as evidenced by a written receipt signed by such person, and (ii) in the case of registered or certified mail, three (3) business days following the day it shall have been posted. For purposes of notice or other written communications, the addresses may be changed at any time by written notice given in accordance with this provision:

(i) If to LCCCA:

The Lancaster County Convention Center Authority  
P.O. Box 1622  
Lancaster, PA 17608  
Attention:  
James O. Pickard, Chairman

with a copy to:

Stevens & Lee  
P.O. Box 11670  
Harrisburg, PA 17108-1670  
Attention: Christopher M. Cicconi, Esquire

(ii) If to PSP:

Penn Square Partners.  
1853 William Penn Way  
Lancaster, PA 17605-0008  
Attention: Thomas D. Smithgall, Vice President

with a copy to:

Ballard Spahr Andrews & Ingersoll, LLP  
1735 Market Street, 51st Floor  
Philadelphia, PA 19103  
Attention: Howard I. Grossman, Esquire

LCCCA and PSP each agree that upon giving of any notice, it shall use its reasonable efforts to advise the other by telephone or telecopier that a notice has been sent hereunder. Such telephonic or telecopier advice shall not, however, be a condition to the effectiveness of notice hereunder.

7.10 Costs and Attorneys' Fees. In any proceeding arising under this Agreement, including any arbitration pursuant to Section 7.1 hereof, the prevailing party shall be entitled to recover the costs of the proceeding, as well as reasonable attorneys' fees and expenses before and at trial, on appeal, in bankruptcy and in post judgment collection, as such post judgment costs may be awarded by the court.

7.11 Entire and Final Agreement. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof, superseding all prior agreements or understandings, oral or written.



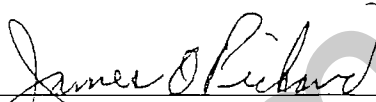
7.12 Severability. If any provision of this Agreement or the application of any provision to any person or circumstance is or becomes invalid or unenforceable to any extent, then the remainder of this Agreement and the application of such provisions to any other any other person or circumstances shall not be affected by such invalidity or unenforceability and shall be enforced to the greatest extent permitted by law.

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IN WITNESS WHEREOF, LCCCA and PSP have executed this Agreement under seal as of the date first above written.

LCCCA:

THE LANCASTER COUNTY CONVENTION  
CENTER AUTHORITY

By:   
Name: James O. Pickard  
Title: Chairman

PSP:

PENN SQUARE PARTNERS, a Pennsylvania  
limited partnership

By: Penn Square General Corporation, its general  
partner

By:   
Thomas D. Smithgall  
Vice President

EXHIBIT "A"

[Convention Center Premises]

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EXHIBIT "B"

[Hotel Premises]

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EXHIBIT "C"

[Quality Standard]

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## EXHIBIT "D"

[Convention Center Program]

### Initial Convention Center Spatial Program\*

- Gross Square Footage: 160,000-181,000 square feet
- Exhibit Space: 25,000-30,000 square feet\*
- Ballroom Space: 25,000-28,000 square feet
- Meeting Room Space: 20,000-22,000 square feet (15-20 rooms)
- Lobby/Pre-function Space: 30,000-34,000 square feet
- Support Space (50,000-56,000 square feet)
- Food Service, Office Space: 10,000-11,000 square feet

\*Developer will explore with LCCCA the expansion potential of exhibit space to up to approximately 50,000 square feet and expansion of the aggregate area of Convention Center to up to approximately 200,000 square feet.

### Preliminary Cost Estimate

The hard costs of construction of the Convention Center shall not exceed \$35,000,000 (increased by CPI beginning in the year 2001) unless the exhibit space and aggregate area of the Convention Center are expanded as described in the Convention Center Spatial Program set forth above.